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ayondo's IPO in Singapore

Since 26th March 2018 ayondo has been listed on the Singapore Stock Exchange, the first listed FinTech company on the SGX. Trader's Magazine interviewed Robert Lempka, CEO of ayondo.

TRADERS': ayondo is a pioneer in Social Trading. As a next step, the company recently went public on the Singapore Stock Exchange. Can you tell us about that?

Lempka: That's right, ayondo has shown a pioneering spirit yet again. We are the first FinTech company to be listed on the SGX, an excellent platform for growth and brand positioning worldwide and especially in the Asian market. Due to rapid growth in recent years and the sustainable implementation of our expansion plans, we have taken the step to capital markets. The main focus of Social Trading is currently in Europe and is still a very innovative type of investment for the Asian market.

TRADERS': ayondo is the first FinTech company to be listed on the SGX. Why did you choose Singapore?

Lempka: In 2014 a branch of ayondo was opened in Singapore after the Singaporean private equity fund, Luminor Capital Pte Ltd, became a significant shareholder of the company. With the acquisition of TradeHero, a trading simulation app for investors and a well-established brand in Singapore and in Asia, we expanded ayondo's presence in Singapore and have been driving the research and development of our mobile applications from there ever since.

Singapore is aiming to establish itself as the FinTech hub in the region and, in addition to subsidies, is pushing the with the world's largest FinTech festival, which is celebrated annually throughout the city. The festival is growing rapidly from year to year. FinTech also receives great support from the regulatory authorities and we could not have asked for a better partner than SGX. The Catalist segment on the SGX is very attractive for investors and has, for example, greater liquidity than comparable growth segments on European stock exchanges. Singapore is also an ideal location to develop ayondo Group's business in the region as economic growth and prosperity in Singapore are among the highest in the world.

TRADERS': Tell us about the First Listing Day.

Lempka: It was, of course, a very exciting event, including the traditional lion dance, the beating of the gong and the countdown to the first trade. A lot of effort went into the preparation for this IPO and the entire ayondo family was incredibly proud to witness this event. Many existing shareholders and colleagues travelled to Singapore especially for the event and others watched via livestream.

TRADERS': How many shares were issued at what price? How will you use the IPO proceeds?

Lempka: 80,770,000 shares were issued at a price of 0.26 Singapore dollars per share. The offering was fully subscribed. In addition to repayment of loans, funds will be used for business expansion into new markets and intensification of marketing in markets where we are already active. We will use the proceeds to further enhance our platforms and for general working capital purposes, as financial service providers must meet growing regulatory capital requirements.

TRADERS': What market capitalization are you aiming for?

Lempka: ayondo's market capitalization at the IPO was approximately SGD 130.7 million. Our aim, of course, is to increase this.

TRADERS': Why should potential investors take a closer look at ayondo's shares?

Lempka: According to a research study by consulting firm Oliver Wyman, the Top 50 FinTech companies created shareholder value growth of 169% between 2011 and 2016. This is more than the Top 50 Tech Companies with 140% and significantly more than the Top 50 Banks with only 58% value growth.

FinTech is a platform business. Once the platform is in place, the business can be scaled without significant additional costs. ayondo has recorded triple-digit growth in transactions, active customers and sales in recent years, while costs have only grown moderately and the number of employees has remained very stable. FinTech is an extremely exciting growth market with many opportunities for cooperation between the old and new financial world. It is important for FinTech companies to be well positioned in the B2B and B2C sectors, as is the case with ayondo ,as this allows for faster growth without having to purchase expensive regulatory licences and investing in marketing in each country. If you look at ayondo's core product, Social Trading, you will see that this is unknown in many countries and therefore has the potential to establish itself as a real investment alternative and to tackle huge markets such as, for example, actively managed funds.

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